

CHAPTER NO. 673

SENATE BILL NO. 1662

**By Williams, Elsea, McNally, Jordan, Koella, Atchley, Person, Haun, Carter,
Ramsey, Leatherwood, Gilbert, Miller, Fowler, Crowe**

Substituted for: House Bill No. 1262

By Bittle, Haley, Hargett, Pleasant, McDaniel, Stamps, Walley, Ford, Wood, Patton, Kerr,
Beavers, Kent, Bird, Clabough, McKee, Newton, Scroggs, Godsey, Halteman Harwell,
Raymond Walker, McAfee, Mumpower, Roach, Boyer, Dunn, Sargent, Davidson, Phelan,
Givens, Tidwell

AN ACT To amend Tennessee Code Annotated, Section 67-4-409, relative to the
agricultural nonpoint water pollution control fund.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-4-409(l), is amended by
deleting subdivision (1) in its entirety and by substituting instead the following:

(l) Agricultural Resources Conservation Fund. (1) One and one-half
cents (1.5¢) of the tax levied by subsection (a) shall be credited to a special
agency account in the State General Fund known as the "Agricultural Resources
Conservation Fund". Expenditures from such fund shall be made only to
implement and carry out the purposes set forth in subdivision (l)(2). Funds
deposited in such fund shall not revert at the end of any fiscal year, and all
interest accruing on investments and deposits of the funds not otherwise
expended shall be returned to and made a part of the fund.

SECTION 2. Tennessee Code Annotated, Section 67-4-409(l), is amended by
deleting subdivision (2) in its entirety and by substituting instead the following:

(2) The Commissioner of Agriculture shall expend the funds which are
deposited in the agricultural resources fund for purposes of landowner assistance
to address point and nonpoint source water quality issues as well as nuisance
problems including but not limited to odor, noise, dust and similar concerns. The
Commissioner of Environment and Conservation, Commissioner of Agriculture
and the Director of the Wildlife Resources Agency shall jointly establish priorities
for the appropriate allocation of funds deposited in the Agricultural Resources
Conservation Fund. No project shall receive any such funds unless each such
official has approved such expenditure. The Commissioner of Agriculture may
promulgate regulations to implement this subsection.

SECTION 3. Tennessee Code Annotated, Section 67-4-409(l), is amended by
deleting subdivision (3) in its entirety and by substituting instead the following:

(3) Expenditures from the Agricultural Resources Conservation Fund
shall be made for the promotion and implementation of agricultural management
practices which conserve and protect natural resources associated with
agricultural production including but not limited to soil, water, air, plants and
animals. The Commissioner of Agriculture may spend up to five percent (5%) of
the annual appropriations from this fund on education of landowners, producers
and managers concerning conservation and protection practices. No more than
ten percent (10%) of the fund may be used by the grantee for management costs

associated with the administration of grants and/or technical assistance to accomplish the purposes of the fund. It is the intent of the legislature that the highest priority of the agricultural resources conservation fund is to abate and prevent nonpoint source water pollution that may be associated with agricultural production. The Commissioner of Agriculture may, therefore, spend no more than fifteen percent (15%) of the annual appropriations from the fund for the combined purposes of preventing or remedying point source water pollution that may be associated with air, noise, dust, odor, or similar nuisance type problems. No expenditure from the fund shall be made to fund salaries, staff positions, or any other administrative costs of the Department of Agriculture.

SECTION 4. Tennessee Code Annotated, Section 67-4-409(m)(1), is amended by deleting subdivision (C) in its entirety and by substituting instead the following:


(C) By February 1 of every odd-numbered year, beginning in 1999, the Commissioner of Agriculture shall file with the Senate Environment, Energy and Natural Resources and the Commerce, Labor and Agriculture Committees and the House Agriculture and Conservation and Environment Committees a report detailing expenditures made from the Agricultural Resources Conservation Fund.

SECTION 5. Tennessee Code Annotated, Section 67-4-409(m)(2), is amended by deleting subdivision (B) in its entirety and by substituting instead the following:

(B) Once every five (5) years, beginning in 2002, the Commissioner of Agriculture shall reevaluate the progress and accomplishments of the Agricultural Resources Conservation Fund and shall incorporate the conclusions and recommendations of such reevaluation into a written plan. This plan shall be submitted to the Senate Environment, Energy and Natural Resources and Commerce, Labor and Agriculture Committees and the House Agriculture and Conservation and Environment Committees which shall hold public hearings on the plan.

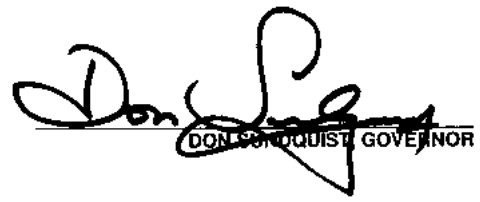
SECTION 6. This act shall take effect upon becoming a law, the public welfare requiring it.


JOHN S. WILDER
SPEAKER OF THE SENATE


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

PASSED: March 16, 1998

APPROVED this 30th day of March 1998


DON SUNDQUIST GOVERNOR